

# **HR Field Guide: 5 Tips To Effective Recruiting & Hiring**

**Recruiting and hiring systems** streamline the entire hiring lifecycle from talent needs assessment and requisition creation to candidate selection and onboarding. This field guide will explore five critical steps to ensure that you get the most out of your recruiting and hiring investments.

# Introduction

Recruiting and hiring systems broaden the scope of legacy applicant tracking systems (ATS) by streamlining the entire hiring lifecycle from talent needs assessment and requisition creation to candidate selection and onboarding. Organizations that have invested in these systems cite a number of significant benefits, including:

- Enable full lifecycle recruiting and hiring , including workforce planning, talent needs assessments, sourcing management, candidate evaluation, offer and onboarding management, and reporting/analysis
- Standardize hiring practices company-wide with detailed job templates, requisition approval workflows, and interview questions based on required competencies
- Reduce administrative costs through automated notification of position availability and candidate self-registration, resume creation, parsing, and assessment
- Improve decision making with predefined reports and analytics, including Affirmative Action & EEO reporting; activity, recruiter, and sourcing statistics; and requisition cost analysis
- Increase candidate quality with pre-screening questionnaires, knockin/knockout questions, online candidate assessments, reference tracking, and candidate rankings and gap analysis
- Create an unlimited number of uniquely branded internal- and external-focused career sites to attract a wide variety of candidates
- Interface seamlessly to third-party job boards through automated job distribution tools that populate new positions to multiple online job boards simultaneously
- Facilitate scheduling candidate meetings with hiring managers directly within popular tools such as Microsoft Outlook, wherein all updates and changes to meetings are applied to all parties automatically

This field guide will explore five critical steps to ensure that you get the most out of your recruiting and hiring investments.

## TIP #1: ELIMINATE TALENT ASSESSMENT AND SOURCING BOTTLENECKS

Through 2010/2011, many organizations will continue to be inundated with record numbers of applicants and resumes as job seekers significantly outnumber open positions. Compounding this challenge, human resources (HR) and recruiting organizations are seriously resource-constrained. The new mantra in HR is “do more with less.”

For many organizations, talent assessment and sourcing processes are neither automated nor optimized, thus creating serious bottlenecks. The negative consequences of these bottlenecks include slow time to hire, low quality of hire, reduced hiring productivity, and inconsistent collaboration and feedback.

A key solution to this problem is Candidate Filter Management, which improves candidate flow and reduces bottlenecks by enabling recruiters and hiring managers to more efficiently search, filter, pre-screen, assess, and rank and score applicants. By implementing a systematic candidate filtering process, organizations are better able to quickly find the “right” candidate for the job as well as ensure the long-term success of new hires by increasing the probability that they make a positive contribution to the business.

A few key questions to consider to eliminate candidate assessment and sourcing bottlenecks are:

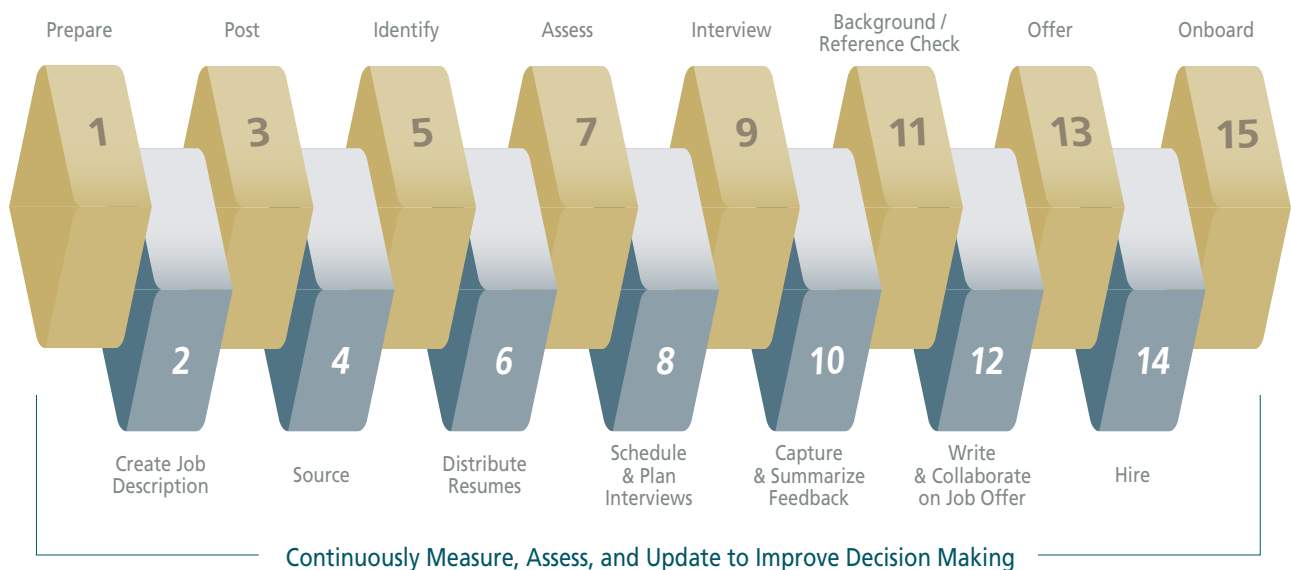
1. Does the recruiting and hiring system provide detailed pre-screening capabilities including target questions for the job, knockout/knockin questions, and a weighting/point system mechanism? Are all of these elements easily configurable by end users (e.g., recruiters, hiring managers)?
2. How does the recruiting and hiring system implement search matching? Does the system provide an embedded resume parsing engine in addition to integration to universal candidate profiles (e.g., ResumePal)? Does the search engine enable keyword, conceptual, explicit field searches, and location searching? Can results from external career sites/portals be easily incorporated into search results?
3. Can candidate assessments be easily created and utilized by hiring managers? Can these assessments be based on competencies, skills, and psychological traits and values?

4. From a candidate ranking and scoring perspective, does the recruiting and hiring system enable both quantitative scoring and subjective rankings? Are visual candidate side-by-side comparisons easily assessable by recruiters and hiring managers?

## TIP #2: IMPROVE END-TO-END PROCESS CONSISTENCY AND TRANSPARENCY

A typical recruiting and hiring process is complex, time consuming, and involves numerous constituents, including recruiters, hiring managers, approvers, interviewers, and candidates (see Figure 1). Because of the complexity, many users find that there is little consistency and transparency in the overall process, which negatively impacts hiring quality, timeliness, and effective decision making.

FIGURE 1: TYPICAL RECRUITING & HIRING PROCESS



There are four essential steps involved in the recruiting and hiring process, with each step flowing from the previous one. The core steps are:

1. **Talent Needs Assessment:** Assessing the talent requirements and managing job requisitions.
2. **Sourcing Management:** Recruiting for an open position (both internally and externally).
3. **Candidate Evaluation:** Evaluating candidates' skills and competencies and managing the interview process.
4. **Offer & Onboarding Management:** Managing job offers and transitioning candidates to employment.

To ensure consistency across the entire recruiting and hiring process, each step must flow seamlessly into the next step via automated workflows, and alerts and triggers must be easily established to notify users of action items.

Each step by itself must also be optimized. For instance, the Candidate Evaluation step – which includes interview scheduling, the actual interviews, feedback and collaboration, and background and reference checks – is notorious for being inefficient and time consuming. Coordination is cumbersome, interviewers are often unprepared and feedback is subjective, this is no consistent method for evaluating and selecting candidates, and overall internal communication is poor.

Across the recruiting and hiring process, reporting and measurement must be enabled to support decision making. Reporting provides the essential transparency required to all constituents involved in the overall process. Tip #5 explores this topic in more detail.

A few key questions to consider to improve end-to-end process consistency and transparency are:

1. Is the recruiting and hiring system flexible and configurable so that it can meet the unique needs of different organizations? For instance, can workflows be modified or hiring teams be specified without IT intervention?
2. Does the recruiting and hiring system provide best practices out of the box, including standard job templates, workflows, competencies, and interview questions?

3. How does the recruiting and hiring system handle some of the more onerous aspects of the process such as interview scheduling? For instance, does the system provide seamless integration to common calendaring tools such as Microsoft Outlook to facilitate scheduling?
4. Can third-party job boards such as Monster or Career-Builder as well as company-created external career sites/portals be seamlessly integrated into the overall recruiting and hiring process?

## TIP #3: PROMOTE TALENT MOBILITY

In many organizations, talent mobility is impeded because there is no consistent or systematic process for aligning current and future talent needs to the existing talent inventory. According to a May 2009 article in Talent Management magazine, “Increasing globalization has made talent managers’ ability to move talent across regions and countries critical to business success, but integrating global mobility with talent management is still a relatively new trend.”

Without a cohesive talent mobility strategy, organizations face several risks:

- Focus on costly external recruiting vs. internal sourcing
- Lack of visibility into the talent pipeline and bench strength
- Wrong hires (cost can be 3-5x person’s salary)
- Reduced employee engagement
- Longer time-to-onboard
- Reduced flexibility as business conditions change

Organizations should consider the following integrated processes to promote and enable talent mobility:

- **Current workforce analysis:** Includes detailed talent profiles, employee summaries, organization charts, competencies, and job templates.

- **Talent needs assessment:** A key process within overall recruiting and hiring process responsible for defining talent requirements.
- **Future needs analysis:** Development-centric succession planning to create and manage dynamic, fully populated talent pools.

A few key questions to consider to promote talent mobility are:

1. Does the recruiting and hiring system provide seamless links to other required talent functions including career development and succession planning? How is the solution architected (i.e., is it a single system or is manual systems integration necessary to link the required functions)?
2. Does the recruiting and hiring system provide baseline functionality including talent profiles, employee summaries, organization charts, competencies, and job templates? Are these capabilities readily accessible and leveraged by other modules within the overall HR system?
3. Does the broader HR system provide robust succession planning functionality that enables easy creation of dynamic talent pools supported by in-depth talent searching and security features?
4. Do HR professionals, recruiters, and hiring managers have deep visibility into their talent pipeline and overall bench strength?

## **TIP #4:** LINK RECRUITING & HIRING TO BROADER TALENT PROCESSES

There is little doubt that the recruiting and hiring process is big and complex. Because of this, many organizations tend to focus myopically on the process itself and do not consider how the recruiting and hiring process links to broader HR and talent processes. For some companies with legacy applicant tracking systems, the primary issue is system-related. For others, it is a process or political issue. Whatever the cause, recruiting and hiring tends to be among the most stovepiped of HR processes.

Organizations can drive greater efficiencies by taking a more holistic view of recruiting and hiring. Several broader HR and talent processes present themselves for integration:

- **Performance Management:** Create and align new hire goals to divisional and company goals.
- **Compensation Management:** Align new hire compensation to company pay policies and market salary data.
- **Succession Planning:** Tag both internal and external candidates as successors (i.e., keeping them “warm”).
- **Career Development:** Create competency-based career plans for new hires.
- **Learning Management:** Automatically schedule courses for new hires, especially important for compliance.
- **Social Networking:** Facilitate network creation and community development to improve onboarding effectiveness.
- **HR Management (HRMS):** Populate new hire information automatically into core HR repository and generate unique talent profiles.

A few key questions to consider when linking recruiting and hiring to broader talent processes:

1. Does your organization leverage a single HR platform that encompasses the gamut of talent management functionality, including recruiting and hiring? For instance, if your company is currently using the performance management and succession planning capabilities of a particular vendor, does the vendor also offer competitive recruiting and hiring functionality that you can readily adopt and deploy?
2. What is your organization doing to reduce its reliance on legacy applicant tracking technology that is expensive to maintain, inflexible, and difficult to integrate to other applications?
3. Best practice recruiting and hiring is not just about finding the “best” or most qualified candidate. What is your organization doing to effectively onboard new hires and maximize their potential to make a lasting, positive contribution to the business?



## TIP #5: IMPROVE REPORTING, MEASUREMENT, AND DECISION MAKING

Tactical recruiting and hiring metrics (e.g., time-to-hire, source yields) used by many organizations today are inadequate and do not enable continuous process improvement or facilitate better decision making. The majority of organizations continue to measure their recruiting and hiring effectiveness based on how long it takes to fill a position, how much it costs, and where candidates are sourced (e.g., internal or external).

Part of the challenge lies in the fact that data is spread out in various silos across the organization and there is no common employee system of record. A single, fully-connected talent platform that covers the gamut of HR functions and processes, including recruiting and hiring, can alleviate some of the problems since the data is all in one place. And with a robust analytic and reporting function, previously unavailable insight can be gained.

While tactical recruiting and hiring metrics (especially Affirmative Action & EEO reporting) will continue to play a role within HR's overall analytic and reporting strategy, a strategic transformation is currently underway within many organizations. In fact, explosive growth in the use of more "strategic" workforce analytics is expected during 2009/2010. These analytics include:

- On-boarding effectiveness
- Impact of training on performance
- Return-on-investment
- Workforce productivity
- Time savings

As talent management processes mature within companies, and discrete HR functions – performance management, succession planning, compensation, recruiting and hiring, and learning – come together into integrated talent ecosystems, the planned use of more strategic workforce analytics that expose HR linkages (e.g., impact of training on performance) is not only natural, but essential.

A few key questions to consider to improve reporting, measurement, and decision making are:

1. Does the recruiting and hiring system leverage a robust and industry standard analytics engine which provides interactive graphical displays of all data?
2. Does the system abstract the complexity out of the analytics engine so that non-technical users can conduct their own analyzes via an intuitive, web-based interface?
3. Is there an ability to compare and relate deep analytical views beyond the recruiting and hiring system – in other words, across the entire HR platform – to glean insight into more strategic HR metrics such as onboarding effectiveness or time-to-productivity?
4. Does the analytics system reduce administrative overhead by leveraging the same comprehensive security access rights and rules as the recruiting and hiring system so that security policies only have to be established once?

# Conclusion

To get the most out of your recruiting and hiring investments, optimization of the complex processes involved is an essential first step. Yet it is also important to adopt a more holistic view that encompasses broader HR and talent processes. Replacing legacy applicant tracking systems with a single, complete HR platform that supports the gamut of talent processes is a viable strategy since it eliminates the need for costly manual systems integration. This approach also facilitates reporting and measurement to improve decision making by enabling deep analytic views across all core HR processes.

To summarize the top five tips to effective recruiting and hiring:

1. Eliminate Talent Assessment and Sourcing Bottlenecks
2. Improve End-to-End Process Consistency and Transparency
3. Promote Talent Mobility
4. Link Hiring & Recruiting to Broader Talent Processes
5. Improve Reporting, Measurement, and Decision Making

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## ABOUT SUMTOTAL

SumTotal Systems, Inc. is the global leader in complete talent management software that enables organizations to more effectively drive business strategy. Recognized by industry analysts as the most comprehensive talent management solution, SumTotal provides full employee lifecycle management, including a core system of record, from a single provider for improved business intelligence. The company offers customers of all sizes and in all industries the most flexibility and choice with multiple purchase, configuration, and deployment options. With more than 1,800 customers and 25 million users worldwide, we have increased the performance of the world's largest organizations.

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